

**CONN'S, INC.
MEETING OF THE
BOARD OF DIRECTORS
AUGUST 26, 2014
8:00 a.m.**

AGENDA

Item

Action Needed

REDACTED - NOT RELEVANT

EXHIBIT

H

Adjourn

CONFIDENTIAL

CONNS_SHE0052547

Credit – Historical Trend

	7/31/2011	7/31/2012	7/31/2013	10/31/2013	1/31/2014	4/30/2014	7/31/2014
Data for period ended:							
Account balances 60+ days past due (period end) (1)	\$ 36,706	\$ 49,763	\$ 69,158	\$ 80,537	\$ 94,403	\$ 87,863	\$ 102,063
Percent of balances 60-209 days past due to total outstanding balance (period end) (1)	6.1%	7.5%	8.2%	8.5%	8.8%	8.0%	8.7%
Total account balances re-aged (period end) (1)	\$ 103,173	\$ 70,969	\$ 91,067	\$ 102,802	\$ 120,770	\$ 128,329	\$ 142,917
Percent of re-aged balances to total outstanding balance (period end)	17.2%	10.7%	10.8%	10.9%	11.3%	11.6%	12.1%
Percent of total outstanding balances represented by balances over 36 months old (period end) (2)	3.0%	1.4%	0.7%	0.5%	0.5%	0.4%	0.4%
Percent of total outstanding balances represented by balances over 48 months old (period end) (2)	0.7%	0.3%	0.2%	0.2%	0.1%	0.1%	0.1%
Weighted average credit score of outstanding balances	594	602	595	591	594	591	592
Percent of total outstanding balance represented by promotional receivables	9.2%	21.0%	31.9%	33.4%	35.6%	37.0%	36.6%
Data for the period:							
Interest income and fee yield % (annualized)	19.3%	18.4%	17.9%	17.8%	18.2%	17.6%	18.3%
Average down payment	5.7%	3.0%	3.1%	3.4%	3.1%	4.2%	3.6%
Weighted average origination credit score of sales financed	625	615	601	599	605	605	607
Payment rate (3)	5.5%	5.2%	5.2%	5.1%	4.8%	5.8%	5.0%
Bad debt charge-offs (net of recoveries) (4)	\$ 15,961	\$ 13,629	\$ 14,176	\$ 16,922	\$ 26,778	\$ 21,192	\$ 28,556
Percent of bad debt charge-offs (net of recoveries) to average outstanding balance, annualized (4)	10.4%	8.4%	7.0%	7.6%	10.6%	7.8%	10.0%

(1) Accounts that become delinquent after being re-aged are included in both the delinquency and re-aged amounts. Re-aged portfolio data was adjusted to include certain refinanced account balances not previously included.

(2) Includes installment accounts only. Balances included in over 48 month totals are also included in balances over 36 months old totals.

(3) Three month rolling average of gross cash payments as a percentage of gross balances outstanding at the beginning of each month in the period.

(4) On July 31, 2011, we revised our charge-off policy to require an account that is delinquent more than 209 days at month end to be charged-off. The change in policy had the impact of accelerating charge-offs which were charged against previously provided bad debt reserves.